HIGH COURT OF UTTARAKHAND AT NAINITAL

Second Bail Application No. 35 of 2025

Banmeet Singh .....Applicant

Versus

Directorate of Enforcement .....Respondent

Present:-

Mr. Vikram Chaudhri, Senior Advocate (through video conferencing) assisted by Mr. Abhimanshu Dhyani and Mr. M.S. Rawat, Advocates for the applicant.

Mr. Zoheb Hossain (through video conferencing), Special Counsel for the Directorate of Enforcement, with Mr. Atul Bahuguna, Retainer Counsel for the Directorate of Enforcement.

Hon'ble Ravindra Maithani, J. (Oral)

Applicant is in judicial custody in ECIR No. ECIR/DNSZO/4/2023, Special Summary Trial no.29 of 2024, Enforcement Directorate Vs. Banmeet Singh, under Sections 3 and 4 of the Prevention of Money Laundering Act (PMLA), 2022, filed before the District and Sessions Court (Designated Court under the Prevention of Money Laundering Act (PMLA), 2022) Registered at Dehradun Sub-Zonal Officer. He has sought his release on bail.

2. Heard learned counsel for the parties and perused the record.

3. This is the second bail application. The first bail application, being BA1 No.1760 of 2024, was rejected by this Court on 07.01.2025. Thereafter, this order was challenged in the SPLA (Crl.) No.1685 of 2025, Banmeet Singh Vs. Directorate of Enforcement ("the SPLA"), before the Hon'ble Supreme Court, but the SPLA was withdrawn with the liberty to renew the application for grant of bail after some time.

4. Facts have already been narrated in the first bail application. The Court reproduces it as hereunder:-

> "2. The background of the case is as follows: The applicant was investigated with regard to the offences of drug trafficking and money laundering in the United States of America. He was arrested in the month of April, 2019, in the United Kingdom on extradition request of the US authorities on drug trafficking and money laundering charges. The applicant entered into a plea agreement with the US authorities on 05.01.2024. He was convicted, but his sentence was reduced to 60 months. On 19.04.2024, the applicant was released. On his arrival in India, he was interrogated and finally arrested. It has been the case of the Enforcement Directorate ("ED") that as per the information received from the US authorities, the applicant along with his brother Parvinder Singh was operating an international drug trafficking group named as the Singh DTO (Drug Trafficking Organization). That used vendor marketing sites on the dark web, numerous free advertisements on clear websites, and a network of narcotic and controlled-substance distributors and distribution cells to sell drugs. In exchange, the Singh Organization received drug trafficking proceeds in the form of crypto currency and laundered these proceeds through crypto currency wallets. The Singh Organization received the drug trafficking proceeds through the sales on dark web markets, then laundered those proceeds through crypto currency transactions. Both brothers, i.e. the applicant and Parvinder Singh, used the monikers "Liston" and "Listonishere" on a variety of dark web markets. After his arrest in India, the statement of applicant was recorded under Section 50 of the Act. The statement of Parvinder Singh was also recorded under Section 50 of the Act.
>
> 3. It is the case of the ED that in US court, the applicant was prosecuted and convicted with regard to some Bitcoins ("BTC"), which he had earned through his drug trafficking business. Before the US authorities, the applicant, as per the ED, has given a statement that he had split the business with his brother Parvinder Singh and 4250 BTC were transferred to Parvinder Singh. According to the ED, Parvinder Singh had denied acquisition of 4250 BTC. He had though revealed possession of some BTC, which have been taken into custody by the ED.
>
> 4. Complaint has already been filed by the ED in the matter. In Para 10.2.21, 10.2.22 and 10.2.23, the averments that have been made in the complaint are as follows:-
>
> > **"10.2.21** That Banmeet Singh did not have any legitimate source of income in India as well as in United Kingdom during the period 2012 to 2017, and he stayed mostly at the United Kingdom during the said period along with his wife Amarpreet Kaur Chawla. On being

> asked, both Banmeet Singh and Amarpreet Kaur Chawla could not produce any proof for their legitimate source of income during the said period. Thus the foreign inward remittances received in their accounts are nothing but a part of proceeds of crime. Thus the proceeds of crime in the instant case have been mixed with legitimate source (in case of Surjeet Singh) in order to disguise the tainted money i.e. proceeds of crime project it as untained.
>
> **10.2.22** That the foreign inward remittances received in the bank accounts of Banmeet Singh, Amarpreet Kaur Chawla and Surjeet Singh were further rotated to various other accounts belonging to them so as to disguise the origin of funds and project those as untainted money. The rotation of funds through various accounts to make them appear as untainted money is a classic example of Money Laundering. This clearly proves the malafide intention of Banmeet Singh and Amarpreet Kaur Chawla of projecting the illegally earned money through sale of illegal drugs as untainted and utilizing the same for their personal use.
>
> **10.2.23** Further, the remaining PoC in the instant case i.e. 4250 Bitcoins is still untraceable and is suspected to be in possession of the Banmeet Singh or Parvinder Singh, investigation in respect of the same is undergoing."

5. Learned Senior Counsel appearing for the applicant submits that after rejection of the first bail application, there have been multiple changes, which took place. He submits that the investigation in the instant matter was, in fact, unfair. He also raises the following points in his submission:-

i) The proffer statement could not be read into evidence, and it has been clarified by the United States Law Enforcement Agencies by way of a mail, which fact was not before the Court when the first bail application was rejected. Reference has been made to Annexure No.28 of the bail application.

ii) The first bail rejection order primarily deals with the question of U.S. Authorities dealing with the transfers in United States only and not outside the United States, but it is argued that the

communication of the U.S. Authorities shows that in U.S., the applicant was prosecuted for laundering criminal proceeds to India or any other country outside the United States of America. Reference has been made to the communication, which is Annexure No.28 of the bail application.

iii) The trial is not going to conclude in near future. The applicant is in custody for more than one year and six months.

6. On the question of unfair investigation, it is argued that, in fact, on 02.05.2024, the Investigation Officer ("IO") siphoned off a lot of Bitcoins ("BTC"). On that date, there were 370.7 BTC in the crypto currency owned and maintained by the brother of the applicant, but the IO transferred 268.22 BTC into the account of the Government of India, and balance 102.48 BTC were siphoned off by the IO. The brother of the applicant, Parvinder Singh, filed an application on 30.07.2025 in the court below requesting that the correct/valid sheet phrase recovered by the IO along with the device named Ledger Nano S Plus and a laptop, which was used during the search and seizure conducted on 02.05.2024, be placed before the Court. The brother of the applicant, Parvinder Singh, also moved another application in the court below directing the IO to appear before the Court for examination with reference of criminal misconduct during the raid of 02.05.2024.

7. It is also argued that, in fact, the record which was filed by the IO along with the complaint reveals as if the photos of the screenshots were taken by Apple iPhone 16 pro model no.MYMK3LL/A, but it is argued that, in fact, on 02.05.2024, that mode of Apple iPhone had even not been launched, which doubts the case of the Directorate of Enforcement ("ED").

8. On this aspect, learned counsel for the ED submits that investigation has been much fair in the case; whatever BTC were seized by the IO on 02.05.2024 from the wallets of co-accused, Parvinder Singh, those were transferred accordingly. It is also argued that, in fact, the photographs of the screenshots of the device was taken by the IO by Apple iPhone 13, but subsequently, when data was transferred in the new Apple iPhone 16 pro, the photographs revealed it accordingly. He submits that after the allegations, which were levelled by the brother of the applicant, the department requested the Indian Cyber Crime Coordination Centre for analysis in connection with the investigation done in the matter; the report reveals that no divergence of assets was found from this cluster on the day of seizure, i.e. 02.05.2024, and after the day of seizure. In fact, the report was placed for the perusal of the Court.

9. It is objected to on behalf of the applicant on the ground that this report has been given by the Indian Cyber Crime Coordination Centre, Ministry of Home Affairs, Government of India, with a caveat that it is for intelligence only and not for production in any court of law. In fact, learned counsel for the applicant submits that this report further doubts the case of ED about the number of Bitcoins seized on 02.05.2024. It is argued that this report reveals as if only there were only about 267.2401904 BTC on that date.

10. Learned counsel for the ED also referred to a certificate under Section 63(4)(c) of the Bhartiya Sakshya Adhiniyam, 2023, to substantiate his argument that, in fact, the screenshots were shifted from Apple iPhone 13 to Apple iPhone 16 pro. He has referred to those screenshots also.

11. Learned counsel for the ED also submits that, in fact, the investigation in the instant case has been appreciated by the International Co-operation on Money Laundering Detection, Investigation, and Prosecution Handbook published under United Nations, which has been filed along with the supplementary affidavit dated 09.09.2024 by the ED.

12. On behalf of the applicant, arguments were made with regard to the manner in which the investigation was carried out by the IO *qua* co-accused Parvinder Singh. His seizure and procedure related thereto has been doubted. It has been disputed by learned counsel for the ED. In fact, learned counsel for the ED submits that when such allegations are levelled on the IO, the ED itself got an examination done by the Indian Cyber Crime Coordination Centre, Ministry of Home Affairs, Government of India.

13. Multiple applications filed by co-accused Parvinder Singh have been referred to, and it has also been argued that, in fact, the devices have been sent for forensic examination at the request of co-accused Parvinder Singh.

14. This Court is of the view that the allegations that have been levelled by the co-accused Parvinder Singh against the IO and the response that has been submitted by the ED on this aspect relates to co-accused Parvinder Singh alone. There are allegations against the IO, which has been refuted by learned counsel for the ED. This, *per se*, is not a change of circumstances to consider the second bail application.

15. On the question of proffer statement, learned Senior Counsel appearing for the applicant referred to a mail, which is

Annexure No.28 to the bail application. This mail is, in fact, in reference to the following two questions:-

1. That Mr. Singh's proffers were protected by the limited use immunity guarantees set forth in the government's proffer letter including, but not limited to, the protections afforded by FRE 410 and Rule 11(e)(6) if applicable.

2. That Mr. Singh's money laundering offense of conviction included, among other things, the laundering of criminal proceeds sent from the United States to a place or places outside of the United States.

The answer is as follows:-

1. The Government agrees that Mr. Singh's proffers took place under the terms set forth in the agreement between the United States Government and Mr. Singh, and they were protected by the limited use immunity guarantees set forth in the government's proffer letter.

2. The Government agrees that Mr. Singh pleaded guilty to a money laundering conspiracy offense (that is, he knowingly joined an agreement with an objective to launder funds) that included, among other things, an agreement to launder criminal proceeds sent from the United States to a place or places outside of the United States.

16. Learned Senior Counsel for the applicant also submits that the proffer is further protected by Rule 410 of the Federal Rules of Criminal Procedure.

17. On it, learned counsel for the ED submits that the response to the queries that were sent by the U.S. with regard to the proffer is dated 23.12.2024. It was available when the first bail application was rejected by this Court and when the matter was taken up by the Hon'ble Supreme Court, subsequently.

18. He also submits that the proffer has rightly been taken into consideration by this Court.

19. This Court refrains to make deeper scrutiny on the aspect of admissibility of proffer or its exclusion from consideration. Fact remains that the first bail application has not been rejected merely on that ground.

20. Another ground that has been taken by the applicant is that the first bail rejection order primarily dealt with the question of U.S. Authorities dealing with the transfers in the U.S. only, and not outside the U.S. It is argued on that premise that the communication of the U.S. Authorities shows that in U.S. the applicant was prosecuted for laundering criminal proceeds to India also. Reference has been made to Annexure No.28.

21. In fact, this aspect was argued when the first bail application was rejected on 07.01.2025. In paragraphs 15, 16, 17, 18 and 19, this has been discussed by the Court. Insofar as the effect of email dated 23.12.2024 is concerned, which is Annexure No.28 to the bail application, this fact was well within the knowledge of the applicant when the first bail application was rejected by this Court and when the matter was considered by the Hon'ble Supreme Court. This fact will further find deliberation during trial of the case. This is not the basis which may entitle the applicant to bail.

22. It is further the case of the applicant that the trial is not going to conclude in near future. The applicant is in custody for more than one and a half years. The applicant has challenged the cognizance order; the co-accused Parvinder has challenged the proceedings in the Hon'ble Supreme Court in which an order has been passed that the further proceedings would be subject to final outcome of the Hon'ble Supreme Court's order. He submits that on 13.12.2024,

charges were framed on the applicant, but that order has been quashed by the Co-ordinate Bench of this Court. The co-accused Parvinder Singh has also filed an application against the IO. Various applications filed by the co-accused have been referred to.

23. Delay in trial is definitely one of the grounds for considering bail, but it is always related to the gravity of offence as well.

24. Learned counsel for the ED submits that, in fact, the trial is being delayed by the applicant himself. He has referred to order dated 05.05.2025, passed by the trial court, wherein, the court has observed that even the applicant did not sign the charge order, and his intention is to create obstruction in the framing of charge, and unnecessarily delay the hearing of the case. The applicant has been creating hindrance by submitting unnecessary applications.

25. Learned Senior Counsel appearing for the applicant submits that the order dated 05.05.2025, passed by the trial court, was under certain circumstances. He submits that, in fact, without giving documents, charges were framed, which was objected to by the applicant and finally the charges have been quashed by this Court.

26. A litigant may not be happy with the functioning of the Court for one reason or another. But then, approach should not be obstructive or creating hindrance in the proceedings of the court. Be it as it may, this Court does not want to comment on the trial court's order dated 05.05.2025. But, fact remains that the court has observed that the applicant has been creating hindrance by filing unnecessary applicants and wants to delay the trial.

27. On 07.01.2025, the first bail application has been rejected after considering various aspects of the matter.

28. Having considered the arguments, this Court is of the view that there is no such changed circumstance, which may entitle the applicant to bail now. Accordingly, the second bail application deserves to be dismissed.

29. The second bail application is dismissed.

(Ravindra Maithani, J)
04.12.2025

Ravi Bisht